Minutes

SEG Resources Committee Meeting

Governor Meetings

Date	10/03/2026
Time	5:00 PM - 7:00 PM
Location	SC Boardroom
Governors Present	Margaret Boneham (Independent Member and Committee Chair) Michelle Brabner - Principal – (Ex-Officio Member) Rob Firth (Associate Member) Claire Moffat-Lonsdale (Independent Member) Mike Naden (Independent Member) Paul Walker (Independent Member - Corporation Chair)
In Attendance	Paris Bonwick (Vice Principal - Business Services) Lisa Farnhill (Dir. Governance and Compliance) Alison McDowell (Vice Principal People and Culture) Stephen Musa (Deputy Principal) Paula Smith (Vice Principal Finance)
Apologies	Colin Davies (Independent Member)
Absent	None

Agenda

1 - Welcome & Apologies for Absence

The meeting commenced with a welcome from the Chair. Apologies for absence were noted and accepted.

Item 1 – Accepted.

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2 - Declaration of Interests

The Chair asked members to declare ant interests relating to agenda items. No specific interests were declared by the members in relation to the items on the agenda.

Item 2 – Noted.

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3 - Minutes/Matters Arising

The minutes from the previous meeting held on 27th January 2026 were approved noting minor corrections had been made post circulation, relating to typing errors, noting these did not alter the substantive content of the document. The attendees confirmed the accuracy and approved the minutes.

Item 3 – Approved: Minutes of the meeting held on 27th January 2026 were approved.

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4 - Actions and Impact Statements

The Committee reviewed the progress of actions arising from the previous meeting, noting most were completed or to be discussed within agenda items.
The Committee were informed that the audit committee would review Committee feedback regarding static and low-level risks on the risk register when they complete their annual review, which would also incorporate any recommendations from the IAS.

REDACTED

Item 4: Resolved – The Committee resolved to note the update and assurances provided.

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5 - Confidential Business

The committee confirmed that commercially sensitive discussions from the minutes of the 27th January 2026 meeting should be held as confidential. Additionally, it was determined that there were no other items from the current agenda that needed to be marked as confidential REDACTED.

Item 5: Resolved

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6 - KPI scorecard

Members noted that this agenda item was included for information purposes only, providing an overview of the KPIs relevant to the Resources Committee, to support prioritising questioning and discussions within reports rather than being an item for discussion.

Item 6: Noted

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7 - Risk Movements

The Committee received a report detailing the risks updated since the last meeting. Members noted the register had been reviewed on the 22nd of January, with the next review scheduled for the 16th of April. The Committee noted that two risks previously only aligned to the Remuneration Committee had now been added to the Resources Committee due to the potential impact on staffing and budgeting.

Members asked if there were any causes for concern or potential issues with Unions. They noted that some colleges were still to finalise their pay award and faced strike actions, however, were assured that the current situation at SEG was considered stable, supported by strong relationships and open communications with the Unions.

Item 7: Noted

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8 - IT Strategy Update

The Vice Principal Business Services provided an update on the progress towards writing a new IT strategy. Members were informed that meetings had been held to ensure there was cross departmental and curriculum input to evaluate departmental and curriculum needs from a digital perspective.

Members were advised that the current digital footprint, including the number of labs and student laptops, was under review as the ratio of devices to students was high. Members confirmed that the strategy intended to reduce this, noting the costs of updates, subscriptions and software for maintaining the current estate was no longer feasible.

The Committee discussed the importance of maintaining an effective IT strategy that supports the college's operational needs while keeping up with technological advancements, commending the work being done to ensure it is operationally sound and fit for purpose. Members however suggested that the Board level IT strategy could be further revised, suggesting a more concise and principles-based approach. They reflected on the stability in the college’s core business and strategic direction, indicating this enabled a higher-level IT strategy, with an approach that incorporated areas of focus and key actions, reducing the operational detail, proposing this should only be in the delivery plan.

Examples from other sectors were reviewed, with members reflecting on the principles-based format and content as being a similar approach as SEG had taken when revising the Strategic Plan.

Members asked for further consideration to be given to the format, with the revised strategy to be presented at the next meeting for further discussion and approval.

Item 8: - Resolved – The Committee resolves to endorse a higher level, principles based IT strategy, supported by an operational implementation plan.

Task: Bring the revised IT strategy document to the next meeting, incorporating feedback on including a clear statement of current position, strategic direction, and operational plan.

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9 - Enrolment/Marketing Update

The Deputy Principal provided the Committee with an update on enrolment and marketing progress. Members noted applications were slightly above last year's numbers, and partner school applications were reported as positive. The Committee noted the updated position since the drafting of the paper now meant the number of offers accepted at KGV was higher than the previous year, attributed to a recent course discussion evening.

Members were assured of continued work focusing on converting applications to enrolments, with appreciation expressed for the hard work of the team in achieving these results.

Item 9: Resolved – The Committee resolved to note the assurances from the improved data.

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10 - Estates and Accommodation Matters

The Vice Principal Business Services summarised the Estates report, including tenders, sustainability strategy progress, grant and project updates, lettings, and contracts.

Members were informed the demolition of the Fearn building was completed, with minor tweaks to fencing still required. Members noted the report provided assurances that the project was within budget. The Committee discussed the need to use the Seal, which would require witnesses. It was agreed that this responsibility would fall to the Corporation and the Committee Chair. Members were advised the application of the seal is necessary to extend warranties on construction contracts and is required for any contract associated with a deed.

The Committee discussed updates to works to improve the condition of the playing fields, noting delays due to the weather, with the mole problem resolved and the fields now in usable condition, although some reseeding is required, noting that Southport Football Club will cover the costs as part of their contract.

Members were given an update of minor works across the campus, including boundary repairs. The DfE survey was discussed at length, with issues with the condition surveys conducted at KGV and Southport highlighted. Members were informed of significant discrepancies between the site and report, including missing floors and incorrect descriptions of facilities, which could impact capital allocations. The Committee was assured that the inaccuracies were being addressed to ensure proper funding could be obtained, with the opportunity to raise this within the annual strategic conversation with the DfE if not resolved by the time that is held.

The Committee was asked to consider the ongoing applicability of the current estate strategy, with the Vice Principal Business Services proposing an early redraft may be necessary, due to changes in the estates, funding opportunities and priorities since it was drafted, with examples given of the West Wing, having been earmarked for demolition or remodelling in the previous strategy, now having been repurposed for the Bridge. Members asked about the benefits and purpose of expediting the redraft, and agreed the rewrite is necessary to align with current conditions and funding opportunities, asking about the process and timeline. Members were advised that consultants will be brought in to assist, with the committee being advised now endorsed, the process would begin, with a draft expected by September or October.

REDACTED

The catering contract was also reviewed, endorsing a recommendation to extend it by one year. REDACTED

The item concluded with an update of progress against the sustainability strategy, highlighting reductions in carbon emissions and various upgrades across both campuses. Members were advised that some initiatives were off track due to staffing changes, however, it was expected this would now be brought back on track with new staff being in place. The Committee discussed investment options to continue improving sustainability, with options continuing to be investigated.

Item 10: Resolved – The Committee resolved to accept the update, agreeing to support an early rewrite of the estate's strategy, extend the catering contract, endorse the application of the seal to the demolition deed, and support the cleaning contract tender.

Task: Initiate the process to rewrite the estates strategy ahead of schedule, engaging consultants as necessary, and bring a draft to the committee for review.
Task: Coordinate and invite governors to attend cleaning contract tender presentations and site visits on 28th April.
Task: Extend the current catering contract by one year REDACTED.

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11 - Staff Utilisation Report

The Vice Principal Business Services advised the Committee that the staff utilisation report indicated a current utilisation rate of 94.27%, slightly below the expected 95%. The report also highlighted areas with high utilisation rates, such as electrical and carpentry, and the measures taken to manage staffing levels effectively.

Following a review, with overutilisation and overstaffing explained, the Committee agreed the rate is not significantly concerning given the circumstances. Members clarified overutilisation was not negatively impacting those affected, being reassured that this remained within their contracted hours, with additional hours including supporting with cover. Members were informed staff were then being relieved from other additional duties including liaison, marketing and workshops. Members noted that staff feedback from the forums had not raised any concerns in any areas regarding hours and workload.

Members noted that apprenticeship caseloads had increased to 64.31%, 22% higher than the previous year, reflecting increased recruitment efforts. Members asked about areas of growth and financial implications. They discussed the impact of hourly paid staff and the strategic decisions to overstaff certain areas to protect student experience.

Item 11: Resolved – The Committee resolved to accept the update.

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12 - Internal Audit Reports Relevant to Resources Committee

The Committee reviewed the creditors internal audit report, noting the finalisation of the recommendations had been delayed due to data verification issues. Members were informed the audit assessed controls for creditor payments, including policies and procedures, authorisation levels, segregation of duties, and supplier details, resulting in a reasonable level of assurance. Members noted the auditors had identified five recommendations, primarily around segregation of duties, the scheme of delegation, and financial regulations, with members clarifying many were related to the transfer over to the new finance system, as opposed to processes not being followed.

Members considered the overall assessment of reasonable assurance, indicating that while there are areas for improvement, the current controls are generally effective, with prompt management responses to the recommendations.

Members discussed the auditors' performance, observing that management now considers them thorough, effective, and cost-efficient, providing assurance through comprehensive reviews.

Item 12 – Resolved: The Committee resolved to accept the internal audit report on creditors with assurances the finance team has implemented all recommendations and updated financial regulations to address the identified issues.

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13 - Financial Reports

13.1 - DfE documents relevant to the work of the Committee

The Committee reviewed updates to the Department for Education (DfE) documents relevant to their work. Members were advised that the Financial Planning Handbook (FPH) and Financial Handbook (FH) had been updated with changes summarised, noting they included embedding managing public money requirements, updated investment frameworks, procurement and spending thresholds, and senior pay approval thresholds.

The Committee noted that further updates on the College Accounts Direction and College Audit Framework are expected in the coming months, being assured the financial regulations would be reviewed again to ensure they were compliant with any further updates.

Item 13.1: Noted – The Committee resolved to note the updates and ensure all required guidance is referred to in their work.

13.2 - Financial Regulations

The Committee reviewed the updated financial regulations, noting changes to job titles, fraud policy, procurement sections, and delegated authority limits. Questions arose about raising tender amounts from £25,000 to £50,000. The Vice Principal Finance explained this was within the limits as outlined within regulations and had been benchmarked against other organisations, that often use a £100,000 limit. Members confirmed the update aligns with public sector procurement guidance and considered it a sensible balance between competition, value for money, and time taken to run the tendering exercises. The discussion highlighted the importance of consistent definitions and applications of tender processes across different departments, with members asking about documented policies and processes to support compliance with the regulations.

Members were advised there were no compliance issues to be reported, with some minor issues outlined relating to over-budget allocations, late goods received notices, staff not allowing time for competition processes, and invoices without purchase order numbers. Members were informed of a late payment, by one day, resulting in a fine, which had been appealed.

The committee emphasised the importance of updating regulations to reflect current practices and ensuring compliance with new thresholds and policies and outlined a few minor issues with wording that should be corrected to improve clarity, which were noted. Members queried whether a full review and rewrite to improve flow and conciseness would be beneficial, noting this would be considered after final DfE guidance is released.

Item 13.2: Approved – The Committee resolved to recommend the Corporation approve the updates to the financial regulations, subject to the amendments suggested being made.

<u>Tasks</u>:
- Review again when final DfE updates come out.
- Minor wording amendments to be made to:
    - 22.7 (review wording)
    - strengthen wording to ensure it is clear requisitions are subject to approval
    - references to gender to be made gender neutral

13.3 - Management Accounts

The Committee reviewed the management accounts for January 2026, noting a year to date operating surplus of £80,000 against a forecast deficit of £10,000. Members were informed that income, pay costs, and non-pay costs were all favourable, with depreciation and interest payable slightly behind forecast. Members were informed that the cash balance at the end of January was £5,490,000 million. The Committee discussed the profile of costs, including the impact of funding changes on the budget, as well as potential risks around rising fuel costs. Questions were raised regarding the assumptions used in the cash flow forecast, including the impact of the decrease in 16 to 19 students, the pay award, and a 3% non-pay increase. Members asked if the assumed pay award was realistic, discussing the limited information available, external factors and timing of negotiations.

Members discussed at length recruitment concerns and considered whether weighted courses masked the impact, of reduced enrolment, being assured of transparency and strategic recruitment to mitigate against lower recruitment. Members were informed that the team had focused on effective recruitment in key areas that would improve income. The lagged funding model, devolved income and student progression were considered at length, with information about the business planning cycle, weighted courses, new courses and the new facility at the Bridge provided.

In addressing enquiries regarding rationalisation and staff recruitment, members were advised that in-year savings had been achieved without affecting service delivery. It was further explained that this process occurred organically, with organisational structures assessed as employees retired or transitioned to new roles. Members confirmed the rationalisation had not impacted staff workload or wellbeing. They questioned how the Board could ensure rising costs and fewer students would not lead to future financial issues, suggesting a paper might be required. Members were assured that cash flow and the June budget would provide sufficient assurance, with it agreed an additional paper was not necessary.

Item 13.3 – Approved: The Committee approved the January Management Accounts, noting assurances around weighted courses to mitigate against lagged funding and reduced income from lower enrolment in 2025/2026.

13.4 - DfE Dashboard and Financial Health

The Committee reviewed the DfE financial health dashboard, noting key measures such as the adjusted current ratio, borrowing percentage, and EBITDA. The Committee was informed that the adjusted current ratio and borrowing percentage were favourable, however, the EBITDA was less than 4%, requiring attention. Members noted that income and expenditure were steadily increasing, and the cash flow graph was updated based on the finance record. The Committee discussed the importance of maintaining financial health and ensuring accurate reporting of key measures, being reminded of how to access the information directly on the DfE portal.

Item 13.4: Noted

13.5 - Cash Flow

The Committee reviewed the updated cash flow forecast, noting assumptions of a slight decrease in 16 to 19 students, a 2% pay award, a 3% non-pay increase, and income from the Bridge for next year. The Committee discussed the feasibility of these assumptions and the potential impact of the Teacher Pay Review Body's recommendations. The Committee emphasised the importance of accurate forecasting and planning for potential funding reductions, proposing the assumptions were prudent based on the information available, asking about the timing and amounts of likely finding updates.

Item 13.5: Noted

13.6 - New Finance System

The Committee received assurances and information following twelve months of using the new finance system. The Vice Principal Finance provided a brief update, with members made aware of some issues and areas that require further work, being advised that overall, the system has successfully supported internal audits and day-to-day operations. The Committee noted Phase 2, involved optimising specific modules, such as the VAT module and the invoices app, with Phase 3 recently initiated due to previous complaints. The Vice Principal Finance expressed relative satisfaction with the system's progress and welcomed any questions from the Committee members. The discussion highlighted the importance of the finance system in impacting cash flow, particularly in ensuring timely collections and payments.

Item 13.6: Noted

13.7 - Write Offs

The Committee reviewed the write-off report, which detailed provisions and potential write-offs. The Vice Principal Finance explained the requirement for any write-offs over £45,000 to be reported. Members were assured that the maximum based on 4 possible write offs, with two already paid, resulted in two potential write-offs totalling £1,300. Members were informed the Principal has the authority to approve these write-offs, however, had been reported to the Committee for transparency.

The Committee appreciated the thoroughness of the report and commended the Vice Principal and her team for their efforts in managing the write-offs effectively.

Item 13.7: Noted

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14 - Meeting Reflection

The committee reflected on the meeting, discussing key points and actions to be reported to the Corporation. The committee reviewed the risk register extracts related to the Resources Committee and considered whether any discussions during the meeting resulted in recommended changes to the rating, wording, or mitigations. The committee agreed on the items to be reported to the Corporation at its next meeting and highlighted three key points for information and assurance.

14.1 - Risks Review

The Committee reviewed the risk register extracts related to the Resources Committee, reflecting on whether any discussions during the meeting resulted in recommended changes to the rating, wording, or mitigations, concluding no changes were needed.

Item 14.1: Resolved – The Committee resolved not to make any recommended amendments to the risk register.

14.2 - Items To Be Reported To The Corporation

The Committee agreed on the items to be reported to the Corporation at its next meeting. The discussion focused on key points for information and assurance, highlighting important decisions and actions taken during the meeting, agreeing the financial regulation should be presented for approval. The Committee emphasised the importance of clear, concise communication with the Corporation to provide assurances without the burden of additional unnecessary paperwork.

Item 14.2: Approved

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15 - DATE OF NEXT MEETING AND CLOSE

The Committee confirmed the date of the next meeting as Tuesday, 16th June 2026 at 5:00 pm. The meeting was formally closed at 7.15pm, with members and attendees thanked for their contributions and discussions, with the Committee Chair thanking the Director Governance and Compliance for her support.

Item 15 - Noted: The next meeting was noted as Tuesday, 16th June 2026 at 5:00 pm.